

RISK PARITY

PAUL TUDOR JONES IS RIGHT:

“RISK PARITY” WILL FAIL. CATASTROPHICALLY.

BUT WRONG AS A “CATALYST”.

IT WILL BE YET ANOTHER EFFECT, NOT CAUSE.

TO THAT QUESTION:

IT WILL BE A LOSS OF CONFIDENCE.

THERE IS NO CURE OR REMEDY TO THIS MOST HUMANLY NATURE.

VELOCITY IS THE “SMOKING GUN”, “RATE OF CHANGE” THE BULLETS.

MATHEMATICS ARE IN CONTROL AND THEY WON'T BE DENIED.

ON THE OTHER SIDE, WHEN THAT LOSS OF CONFIDENCE SUBSIDES,
ASSET VALUES WILL NEVER RECOVER TO THEIR HIGHS.

NO MACHINE OR FORMULA WILL PROTECT AGAINST THIS OUTCOME.

PURE DIRECTIONAL IS 1.

“RISK PARITY” IS SIMPLY A CORRELATION POSITION.

ALL CORRELATIONS EVENTUALLY FAIL WITHOUT NOTICE.

THIS IS WHY ALL MODELS EVENTUALLY FAIL:
CORRELATION LIKEWISE PRESENTS ITSELF WITHOUT WARNING.
IN EITHER CASE, THIS CANNOT BE MATHEMATICALLY FORESEEN.

RISK PARITY

**CORRELATION IS WHERE DIFFERENT INSTRUMENTS
OPERATE ON THE SAME TIME PLAIN OVER VARIOUS PERIODS;
EITHER IN THE SAME OR OPPOSITE DIRECTIONS.**

NOT DISTINCTIVE, RATHER INCLUSIVE, WITHIN THE FABRIC OF TIME.

YIELD IS THE BY-PRODUCT OF THE INTERACTION OF CAPITAL WITH TIME.

POSITION IS RELATIVE TO TIME; THE INSTRUMENT MERELY THE MEANS.

**“RISK PARITY” PERFORCE DENIES “TIME” AS
THE PRINCIPAL DETERMINANT OF YIELD.**

THIS IS WHY IT IS DOOMED TO FAILURE.

**“RISK PARITY” OF CURRENT FAME HAS MERELY OCCUPIED THE
SAME TIME PLAIN AS THE BOND BULL MARKET.**

**LIKE ALL OF THE SO-CALLED “STRATEGIES”
THEY HAVE SIMPLY GONE ALONG FOR THE RIDE,
YET HAVE SOLD THEIR CONSTITUENTS THE BELIEF THEY ARE DRIVING.**

**WHEN THE RIDE ENDS,
A PERMANENT LOSS OF CAPITAL TO CURRENT RENTIERS,
WITH RUINED LIVES AND RUINED REPUTATIONS.**

“TIME” IS THE TRUE GOD, NOT MEN OR THEIR STRATEGIES.

**FOR \$ 100 MILLION RAY,
I WILL INTRODUCE YOU TO JESSE LIVERMORE AND WD GANN,
THEN YOU MAY “BEGIN TO LEARN”.**